

SENATE BILL 1991
By Womack

AN ACT to amend Chapter 429 of the Private Acts of 1931; as amended by Chapter 406 of the Private Acts of 1941; Chapter 30 of the Private Acts of 1967; Chapter 161 of the Private Acts of 1984; Chapter 109 of the Private Acts of 1991 and Chapter 104 of the Private Acts of 1993; and any other acts amendatory thereto, relative to competitive bidding procedures for purchases, leases, lease-purchases and public works projects for the City of Murfreesboro.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Chapter 429 of the Private Acts of 1931; as amended by Chapter 406 of the Private Acts of 1941; Chapter 30 of the Private Acts of 1967; Chapter 161 of the Private Acts of 1984; Chapter 109 of the Private Acts of 1991 and Chapter 104 of the Private Acts of 1993; and any other acts amendatory thereto, is amended by deleting in its entirety the first paragraph of Section 42(10) and by substituting instead the following language:

(10) Duties as purchasing agent; council to prescribe maximum expenditure; when bids required. To act as purchasing agent for the city and to purchase all materials, supplies and equipment for the proper conduct of the city government and its affairs; provided, however, that the city council shall prescribe by ordinance or resolution the maximum expenditure that the city manager may make without specific authorization of the city council; and the city council shall prescribe the rules for competitive bidding or competitive proposals only if the purchase, lease or lease-purchase exceeds Seven Thousand Five Hundred Dollars (\$7,500.00).

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The balance of Section 42(10) beginning with the language "The foregoing shall apply except as follows:" shall remain unchanged.

SECTION 2. Chapter 429 of the Private Acts of 1931; as amended by Chapter 406 of the Private Acts of 1941; Chapter 30 of the Private Acts of 1967; Chapter 161 of the Private Acts of 1984; Chapter 109 of the Private Acts of 1991 and Chapter 104 of the Private Acts of 1993; and any other acts amendatory thereto, is further amended by deleting Section 98 in its entirety and by substituting instead the following language:

Section 98. When execution by contract required; to be awarded to lowest bidder after publication; requirement as to bond; interest of officers and employees of city.

Any public work or improvement costing more than Ten Thousand Dollars (\$10,000.00) shall be executed by contract.

All contracts for more than Ten Thousand Dollars (\$10,000.00) shall be awarded to the lowest responsible bidder after publication, advertisement and competition, as may be prescribed by ordinance or resolution by the city council, subject to emergencies. No contract for any public work costing in excess of Twenty-Five Thousand Dollars (\$25,000.00) or such amount established in Tennessee Code Annotated, §12-4-201, as amended, shall be made except on condition that the contractor gives bond with some bonding company authorized to transact business in the state of Tennessee, or secures a letter of credit from a bank authorized to do business in the state of Tennessee as surety in a sum equal to at least twenty-five percent (25%) of the contract price of the particular work or improvement for the faithful performance of such contract, as provided for in Tennessee Code Annotated, §12-4-201, as amended. The city council may prescribe by ordinance the procedure for the waiver of bids when an emergency exists. The city shall have the power to reject all of the bids, and all advertisements shall contain a reservation of this right.

The requirements of this Section 98 may be satisfied by complying with
Tennessee Code Annotated, §12-4-201, as amended.

SECTION 3. This act shall have no effect unless it is approved by a two-thirds (2/3) vote of the legislative body of the City of Murfreesboro. Its approval or nonapproval shall be proclaimed by the presiding officer of the legislative body of the City of Murfreesboro and certified to the secretary of state.

SECTION 4. For the purpose of approving or rejecting the provisions of this act, it shall be effective upon becoming a law, the public welfare requiring it. For all other purposes, it shall become effective upon being approved as provided in Section 3.